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August 20, 2020

VIA ELECTRONIC FILING

C. Jo Anne Wessinger Hill, Esquire
Hearing Officer
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

RE: Application of Dominion Energy South Carolina, Incorporated for
Adjustment of Rates and Charges (See Commission Order No. 2020-313)
Docket No. 2020-125-E

Dear Ms. Wessinger Hill:

In compliance with Standing Hearing Officer Directive Order No. 2020-78-H (“Order”), enclosed you will find a supplemental exhibit to the Application of Dominion Energy South Carolina, Inc. (“DESC” or “Company”). This supplemental exhibit is identified as Supplemental Exhibit C-2 and consists of 3 pages. Page 1 of Supplemental Exhibit C-2 provides the information contained in the “Regulatory Per Books” and “Pro-Forma Adjustments” columns of the schedule provided at Exhibit C-2, page 1 of the Application, “Operating Experience –Total Electric, 12 Months Ended December 31, 2019” but in the format requested by the Order. More specifically, the information on Page 1 of Supplemental Exhibit C-2 reflects information on a retail electric basis. Pages 2 and 3 of Supplemental Exhibit C-2 provides the accounting and pro forma adjustment information contained on pages 3 and 4 of Exhibit C-2, but on a retail electric basis as requested.

In preparation of filing its Application in the above-referenced docket, the Company reviewed the Commission’s regulations as well as its prior applications for adjustments of rates and charges. Exhibit C filed with and attached to DESC’s current application was submitted to the Commission in the same form as it was filed in DESC’s four most recent retail electric rate proceedings, specifically the proceedings filed in 2002, 2007, 2009, and 2012.¹ With this background, DESC

¹ Please see Docket No. 2012-218-E, Docket No. 2009-489-E; Docket No. 2007-229-E, Docket No. 2002-223-E.

(Continued . . .)

believes that the Application as filed with the Commission complies with the requirements of S.C. Reg. § 103.823(A)(3) and had no reason to believe that the Commission would require this additional information. Nevertheless, DESC is pleased to provide the Commission with this additional information and will include similar information in future retail electric rate applications.

By copy of this letter, we are also serving ORS and the South Carolina Department of Consumer Affairs with a copy of the Company's Supplemental Exhibit C-2 and attach a certificate of service to that effect.

Thank you for allowing the Company to provide this additional information. If you have any questions or need additional information, please do not hesitate to contact us.

Very truly yours,



K. Chad Burgess

KCB/kms
Enclosure

cc: Alexander W. Knowles, Esquire
Andrew M. Bateman, Esquire
Carri Grube-Lybarker, Esquire
Christopher M. Huber, Esquire
Roger P. Hall, Esquire
Steven W. Hamm, Esquire
(all via electronic mail and U.S. First Class Mail w/enclosure)

DOMINION ENERGY SOUTH CAROLINA, INC.
OPERATING EXPERIENCE - RETAIL ELECTRIC
12 MONTHS ENDED DECEMBER 31, 2019

Line No.	Description	(\$000's)		
		Regulatory Per Books	Pro-Forma Adjustments	Total As Adjusted
	(Col. 1)	(Col. 2)	(Col. 3)	(Col. 4)
1	<u>Operating Revenues</u>	<u>1,475,939</u>	<u>591,432</u>	<u>2,067,371</u>
2	<u>Operating Expenses</u>			
3	O&M Expenses - Fuel	579,928	(12,152)	567,776
4	O&M Expenses - Other	562,624	16,895	579,519
5	Depreciation & Amortization Expenses	398,814	(100,166)	298,648
6	Taxes Other Than Income	206,906	26,109	233,015
7	Total Income Taxes	<u>(41,376)</u>	<u>75,598</u>	<u>34,222</u>
8	Total Operating Expenses	<u>1,706,896</u>	<u>6,284</u>	<u>1,713,180</u>
9	Operating Return	(230,957)	585,148	354,191
10	Customer Growth	-	1,151	1,151
11	Interest on Customer Deposits	<u>(1,385)</u>	<u>-</u>	<u>(1,385)</u>
12	<u>Return</u>	<u>(232,342)</u>	<u>586,299</u>	<u>353,957</u>
13	<u>Rate Base</u>			
14	Plant in Service	10,833,343	44,702	10,878,045
15	Reserve for Depreciation	<u>4,455,451</u>	<u>203,754</u>	<u>4,659,205</u>
16	Net Plant	6,377,891	(159,051)	6,218,840
17	Construction Work in Progress	270,243	281,550	551,793
18	Deferred Debits / Credits	(560,117)	88,899	(471,218)
19	Total Working Capital^	(27,682)	3,523	(24,159)
20	Materials & Supplies	396,489	719	397,208
21	Accumulated Deferred Income Taxes	<u>(905,047)</u>	<u>(18,767)</u>	<u>(923,814)</u>
22	Total Rate Base	<u>5,551,777</u>	<u>196,874</u>	<u>5,748,651</u>
23	<u>Rate of Return</u>	-4.19%		6.16%

*Note that certain totals may not foot due to rounding

^ Includes the Retail impact of Average Tax Accruals

DOMINION ENERGY SOUTH CAROLINA, INC.
ACCOUNTING & PRO FORMA ADJUSTMENTS
RETAIL ELECTRIC
OPERATING EXPERIENCE

<u>ADJ. #</u>	<u>DESCRIPTION</u>	<u>REVENUES</u>	<u>O & M EXPENSES</u>	<u>DEPREC. & AMORT. EXPENSE</u>	<u>TAXES OTHER THAN INCOME</u>	<u>STATE INCOME TAX @ 5%</u>	<u>FEDERAL INCOME TAX @ 21%</u>	<u>PLANT IN SERVICE</u>	<u>ACCUM. DEPREC.</u>	<u>CWIP</u>	<u>MATERIAL & SUPPLIES</u>	<u>ADIT</u>	<u>DEFERRED DBT/CRDT</u>	<u>WORKING CAPITAL</u>
1	Annualize Wages, Benefits and Payroll Taxes		(1,223)		(86)	65	261							(153)
2	Incentive Compensation Adjustment		(1,224)		(106)	66	265							(153)
3	Annualized Health Care		3,054			(153)	(609)							382
4	Remove Employee Clubs Investment and Expenses			(134)		7	27	(5,487)	(2,436)					
5	Annualize Depreciation Based on Current Rates			8,153		(408)	(1,627)		7,675					
6	Depreciation Study			6,985		(349)	(1,393)		6,985					
7	Annualize Property Tax				13,964	(698)	(2,786)							
8	Annualize Insurance Expense		(1,734)			87	346							(217)
9	Capital Cost Rider Adjustment	624,526		(126,923)	3,116	37,417	101,197	(2,605)	(1,214)					
10	Remove Amounts Associated with DSM	(31,722)	(13,318)		(158)	(912)	(3,640)							(1,665)
11	Annualize Other Post Employment Benefits (OPEB)		258			(13)	(51)						(194)	32
12	Adjust Fuel Inventory					-	-				(3,012)			
13	To Remove SRS Refund Reversal Impact from Revenue	(870)			(4)	(43)	(173)							
14	Normalize Test Year Purchase Power from Genco		(12,152)			608	2,424							
15	Genco Excess Deferred Income Taxes		(1,798)			90	359						(2,698)	
16	Voluntary Retirement Program		(3,303)		(203)	175	700							(413)
17	Dominion Energy Services Expense		8,944			(447)	(1,784)							1,118
18	Synergy Savings		(773)			39	154							(97)
19	Storm Remediation Cost Deferral		8,780			(439)	(1,752)						26,357	1,097
20	Storm Damage Remediation Rider Reinstatement		9,840			(492)	(1,963)						(7,385)	1,230
21	Tree Trimming and Vegetation Management Accrual		3,519			(176)	(702)							440
22	Turbine Major Maintenance Accrual		10,295			(515)	(2,054)							1,287
23	VCS Outage Accrual		69			(3)	(14)							9
24	Deferred Transmission			13,167	10,739	(1,195)	(4,769)						46,086	
25	Adjust Test Year Taxes					-	(39,558)					(9,445)		

DOMINION ENERGY SOUTH CAROLINA, INC.
ACCOUNTING & PRO FORMA ADJUSTMENTS
RETAIL ELECTRIC
OPERATING EXPERIENCE

ADJ. #	DESCRIPTION	REVENUES	O & M EXPENSES	DEPREC. & AMORT. EXPENSE	TAXES OTHER THAN INCOME	STATE INCOME TAX @ 5%	FEDERAL INCOME TAX @ 21%	PLANT IN SERVICE	ACCUM. DEPREC.	CWIP	MATERIAL & SUPPLIES	ADIT	DEFERRED DBT/CRDT	WORKING CAPITAL
26	Tax Reform Refund			(489)		24	98						(734)	
27	Amortize Capacity Purchases		(10,070)			503	2,009						1,036	
28	Environmental Compliance Study		(92)			5	18							
29	Kapstone Gain			(473)		24	94						(355)	
30	Critical Infrastructure Protection Costs Deferral		4,234	526		(238)	(950)						14,290	529
31	Fukushima Nuclear Regulatory Commission Requirements Deferral		436			(22)	(87)						2,947	55
32	VCS Cyber Security Deferral		1,116	556		(84)	(334)						5,020	140
33	Facility Charge	(502)				(25)	(100)							
34	Amortization of Columbia & Charleston Franchise Agreements			(4,097)		205	817							
35	Unrecovered Plant Amortization			385		(19)	(77)						1,156	
36	Advanced Metering Infrastructure			2,334	592	(146)	(584)	18,727	2,155				537	
37	Local Business Offices		(413)	(155)		28	113	(1,542)						(52)
38	Rate Case Expenses		296			(15)	(59)							37
39	PSC Support Fees				(1,745)	87	348							
40	Projected Capital Spend					-	-	35,584	190,581	281,539	3,728	(9,304)	2,839	15,620
41	Tax Effect of Annualized Interest					(320)	(1,278)							
	Total	591,433	4,742	(100,166)	26,109	32,717	42,887	44,677	203,747	281,539	716	(18,748)	88,902	19,227

*Note that certain totals may not foot due to rounding